



Weekly Report



Global Equities



U.S. stocks ended last week mixed as investors digested the Fed Chair nomination, corporate earnings, and a higher-than-expected inflation reading

Review: U.S. stocks ended last week mixed as investors digested the Fed Chair nomination, corporate earnings, and a higher-than-expected inflation reading.

Outlook: U.S. equities are expected to remain resilient, underpinned by constructive fiscal backdrop, robust consumer spending, and resilient corporate profitability, while elevated expectations leave the market vulnerable to negative earnings or data surprises.



European stocks rose last week on upbeat earnings (especially banks/financials) and better-than-expected Eurozone growth, which lifted risk appetite

Review: The MSCI Europe Index rose by 0.43% last week on upbeat earnings (especially banks/financials) and better-than-expected Eurozone growth, which lifted risk appetite.

Outlook: With inflation on target and risks broadly balanced, the ECB is likely to keep rates on hold through most of 2026. With limited near-term monetary upside and fiscal support subject to implementation lags, reinforcing our neutral stance on the region's equities.



China equities closed lower last week

Review: The Shanghai Composite fell 0.44% last week, while the Shenzhen Composite fell 2.27%. China equities fell last week as renewed policy/regulatory tightening signals (aimed at curbing speculation and leverage after a strong run) weighed on risk appetite.

Outlook: Chinese equities show cautious optimism, supported by favorable PBOC policies and AI/tech momentum. However, weak earnings and property sector challenges may constrain gains, with markets likely to remain range-bound and tech/consumer sectors outperforming traditional industries.



Hang Seng Index rose last week

Review: Hang Seng Index rose 2.38% last week, supported by improving local fundamentals. Hong Kong's Q4 2025 GDP grew 3.8% year-on-year, and home prices recorded their first annual increase since 2021—both of which helped lift sentiment toward growth, property, and financials.

Outlook: Hong Kong equities appear cautiously constructive but remain choppy, with lower U.S. rate expectations and ongoing, albeit modest, China policy support providing a slight upward bias. However, weak Chinese growth and unresolved property-sector stress remain key risks and potential sources of negative headlines.



Global Bonds



FTSE World Government Bond rose last week

Review: FTSE World Government Bond Index rose 0.83% last week.

Outlook: Major central banks are now at distinctly different stages of their monetary policy cycles. For passive investors, a barbell strategy may be worth considering, which combines short- to intermediate-duration U.S. Treasuries and high-grade USD corporates to capture prospective Fed easing, and includes selective EM local-currency bonds poised to benefit from a softer dollar and the current risk-on tone.



Both global high yield bond and EM bond rose last week

Review: The Bloomberg Barclays High Yield Bond Index gained 0.25%, while Bloomberg Barclays EM USD Aggregate Total Return Index also gained 0.09%.

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Weekly Report



Commodities



U.S. WTI crude rose 6.78% last week

Review: U.S. WTI rose 6.78% last week to US\$62.86/bbl, as traders priced in a bigger geopolitical risk premium, especially worries that a U.S.–Iran flare-up could disrupt supply. That move was reinforced by near-term U.S. supply disruptions from winter weather and expectations that OPEC+ would keep supply growth restrained, keeping the market feeling tighter.

Outlook: Crude oil is likely to trade range-bound as soft seasonal demand and inventory builds cap rallies. The main upside risk is a renewed geopolitical flare-up (especially Middle East-related) that could trigger short-lived spikes even if the base case remains sideways.



Gold prices fell 1.87% last week

Review: Spot gold fell 1.87% last week to US\$4,753.98/oz t, as the market turned more hawkish on U.S. rates, with the Warsh Fed-chair nomination boosting the dollar and raising real-yield expectations—both typically negative for gold. The move was also amplified by profit-taking following record highs.

Outlook: Demand from central banks to allocate a larger share of reserves to gold has effectively established a price floor, encouraging dip-buying even during periods of dollar strength or rising real yields. Moreover, with Trump in office as U.S. President, persistent policy uncertainty continues to support gold prices.



Wheat price rose 1.61% last week

Review: Wheat price rose 1.61% last week to US\$5.38/bushel, as traders priced in weather-driven supply risks, including winterkill concerns for U.S. winter wheat and cold-related risks in the Black Sea region. Bad weather also disrupted Russian export logistics, and a softer U.S. dollar/steady export demand added support.

Outlook: Wheat is expected to remain range-bound with a mild downside bias, as the market is still weighed by ample global supply/ending stocks and fresh export competition (e.g., strong Southern Hemisphere output). The main upside risk is headline-driven spikes from Black Sea disruptions or U.S. winter wheat weather scares, which can lift nearby prices even if the broader balance remains comfortable.



Currencies



USD fell 0.62% last week

Review: The US Dollar Spot Index fell 0.62% last week after comments that the administration was comfortable with a weaker dollar sparked momentum selling and hedging. Policy/tariff uncertainty and rate-cut expectations weighed. A Friday rebound on the Warsh Fed-chair nomination and U.S. data only partly offset losses.

Outlook: The USD is likely to trade broadly range-bound to modestly weaker, as the Fed's relatively more accommodative stance versus key peers, firmer growth in major non-U.S. economies, and a risk-supportive backdrop tilt flows toward pro-cyclical currencies.



EUR fell against the USD last week

Review: The EUR fell 0.06% against the dollar last week, largely because the dollar rebounded sharply late in the week, after the Warsh Fed-chair nomination and firmer U.S. inflation data pushed markets toward a “higher-for-longer” U.S. rates view. That USD bounce reversed part of the earlier-week euro gains that had been driven by broad dollar selling on U.S. policy remarks.

Outlook: With euro-area inflation returning to 2.0% in December, the ECB's reaction function is consistent with a broadly “on-hold” policy stance through 2026. In contrast, a relatively more dovish Fed versus a steady ECB should be supportive for the euro, as EUR rates would relinquish less yield to the dollar over time.

Weekly Report

Major market indexes

Index Name	Price	Return (Weekly)	Return (Monthly)	Return (Annual)	Return (YTD)	Return (3Y)	Return (5Y)	Return (10Y)
Hang Seng Composite	27387.11	2.38	2.14	33.02	4.97	22.52	-8.02	40.83
Hang Seng China Enterprise	9317.09	1.71	-0.39	23.71	2.46	21.68	-21.33	15.61
Shanghai Composite	4117.95	-0.44	2.82	25.54	2.82	24.20	15.48	49.77
Shenzen Composite	2683.73	-2.27	5.19	39.31	5.19	22.55	10.85	55.21
Dow Jones Industrial	48892.47	-0.42	1.05	9.76	1.73	43.57	59.32	202.67
S&P 500	6939.03	0.34	1.17	14.87	1.37	66.02	81.35	264.63
NASDAQ COMPOSITE	23461.82	-0.17	0.97	19.54	0.95	92.30	72.35	419.42
FTSE 100	10223.54	0.79	2.74	17.86	2.94	30.73	56.88	72.64
DAX	24538.81	-1.45	-0.00	12.92	0.20	58.22	77.37	156.12
NIKKEI 225	53322.85	-0.97	6.11	34.98	6.11	94.93	88.34	200.40

Source: Bloomberg 2026/1/30

Economic data

Country	Event	Previous	Forecast	Actual	Expectation
Australia	CPI YoY (December)	3.4%	3.6%	3.8%	Above
Japan	Jobless Rate (December)	2.6%	2.6%	2.6%	On Par
Japan	Retail Sales YoY (December)	1.0%	0.7%	-0.9%	Below
South Korea	Industrial Production YoY (December)	-1.4%	-2.0%	-0.3%	Above
Singapore	Industrial Production YoY (December)	14.3%	7.4%	8.3%	Above
Singapore	Unemployment Rate SA (December)	2.0%	2.0%	2.0%	On Par

Source: Bloomberg 2026/1/30

Bond/Forex

Bond Instrument	Price	Change(%)	Yield (%)
US Treasury Bond 30Y	96.11	-0.63	4.87
US Treasury Note 10Y	98.11	-0.02	4.24
US Treasury Note 5Y	99.82	0.21	3.79
US Treasury Note 2Y	99.95	0.22	3.52
US Treasury Bill 3M	3.58	0.21	3.66
China Govt Bond 10Y	99.82	0.77	1.80
Japan Govt Bond 10Y	2.24	0.08	2.24
German Bund 10Y	100.49	0.60	2.84
UK Gilt 10Y	99.84	0.02	4.51

Source: Bloomberg 2026/1/30

ps: The tick size for the US 30-year Treasury Bond is 1/32 of a point, while the US 10-year Treasury Note's tick size is 1/64 of a point. These are represented in decimals.

Currency	Price	Return (Weekly)	Return (Monthly)	Return (YTD)
USD/HKD	7.8138	0.14	0.22	0.33
HKD/CNH	0.8906	-0.16	-0.53	-0.73
USD/CNH	6.9584	-0.01	-0.32	-0.40
USD/JPY	154.7800	0.49	-1.21	-1.13
USD/CAD	1.3613	-0.58	-0.76	-0.70
GBP/USD	1.3686	0.13	1.79	1.65
AUD/USD	0.6964	0.65	4.02	4.33
EUR/USD	1.1851	-0.06	1.31	1.08

Source: Bloomberg 2026/1/30

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